

Rep. Stark wrote to Health and Human Services Inspector General Janet Rehnquist today to request more information regarding the agency's oversight of Tenet Healthcare Corporation.

Prior to its reorganization under the name Tenet Healthcare Corporation, Tenet had operated under the name National Medical Enterprises (NME). In 1994, NME agreed to the biggest fraud settlement in Medicare history at that time – paying the federal government nearly \$400 million in fines. As part of that settlement, the company was subject to a detailed, comprehensive corporate integrity agreement (CIA) to assure that business practices were changed so that it became a fair business partner to the government.

“I am troubled that many of the current allegations against Tenet appear to stem from behavior that should have been detected, reported, and remedied under that CIA,” says Stark in his letter.

In sighting examples of such failures, Stark highlights: “According to an FBI affidavit, various CEOs and administrators of Tenet’s Redding Medical Center in Redding, CA were alerted multiple times, dating back to at least 1997, to the possibility that medically unnecessary heart procedures were being performed at the facility... [U]nder the CIA, Tenet should have investigated the evidence of unnecessary heart procedures, reported the evidence to HHS, and taken appropriate corrective action.”

Stark continued, “When health care providers such as Tenet violate federal program requirements, it is not sufficient to extract one-time fines yet allow similar behavior to continue under a new corporate name. We must demand and have the systems in place to ensure that improper or illegal behavior is stopped and that program standards are met on an on-going basis.”

Stark concluded his letter by requesting that the HHS Inspector General release to him the documents supporting Tenet’s compliance with the corporate integrity agreement and pledged his commitment to “working with you [the HHS Inspector General] to review this issue and undertake whatever legislative or administrative action is appropriate.”